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Contadora peace talks collapse after marathon session

Journalists sue to prove plot against Sandinistas

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Two American journalists yesterday filed a \$23.8 million lawsuit, seeking to prove anti-communist zealots dealt cocaine for guns in the United States to arm a mercenary force to overthrow the Sandinista regime in Nicaragua.

One of the journalists admitted the suit is based largely on information from a dead informant whom they never met and identified only as "David X."

It names as defendants 30 Nicaraguans, Cuban exiles and Americans, including two retired generals and two former Central Intelligence Agency officials.

Some of the allegations have been denied by federal agencies. One of the defendants, retired Army Gen. John Singlaub, called them "pure fabrication... an effort by the radical left to put up a smokescreen."

They have nevertheless disturbed several conservatives who back Nicaragua's anti-communist rebels because, even if only some of them are true, they could severely damage President Reagan's chances of winning congressional approval for \$100 million in U.S. military and economic aid for the rebels.

The allegations first surfaced in an 80-page report prepared by Tony Avirgan and his wife, Martha Honey, two free-lance journalists living in Costa Rica. Called "La Penca: Pastora, the Press and the CIA," it detailed an assassination attempt against rebel leader Eden Pastora two years ago.

The report, funded by the American Newspaper Guild, the U.S. Committee to Protect Journalists and the World Press Freedom Association, was presented as evidence against a \$20 million libel suit filed by John Hull, an American expatriate rancher in Costa Rica, against Mr.

Avirgan and his wife.

The suit was dismissed by a Costa Rican court last week, and the journalists countersued in Miami, naming Mr. Hull as a leading conspirator in the web of allegations involving murder, drug trafficking and gunrunning.

Mr. Avirgan announced the lawsuit at a Washington press conference organized by the public relations firm of Fenton Communications, which was hired by the Sandinistas to promote the 1982 U.S. visit of Jaime Wheelock, one of the top nine Sandinista comandantes.

The defendants are accused of a wide-ranging conspiracy to break U.S. neutrality laws, hire a Libyan exile to pose as a Danish journalist to kill Mr. Pastora and assassinate U.S. Ambassador to Costa Rica Lewis Tambs to collect a \$1 million bounty placed on his head by South American drug lord, Pablo Escobar.

Mr. Pastora, in an April 10 letter to Sen. Jesse Helms' office, blamed the Sandinistas for planting a bomb in his jungle encampment in Nicaragua during a 1984 press conference. Three persons were killed and several were wounded, among them Mr. Pastora and Mr. Avirgan.

There is "little doubt that my assassination was an integral part of military plan of the EPS [Sandinista army] under Cuban direction," Mr. Pastora said in a letter released by Bosco Matamoros, the Washington spokesman for the largest rebel army, the Nicaraguan Democratic Force (FDN).

But the journalists' lawsuit charged that the bombing actually was planned by the conspirators, when they failed to convince Mr. Pastora to join forces with a Cuban-American mercenary brigade they were forming to help the FDN.

The drug bounty from the assassination of Ambassador Tambs, which never was carried out, was to have been used to finance this Cuban-American force. It was to be based on Mr. Hull's Costa Rican

ranch, with the aim of invading Nicaragua from the south, while the FDN based in Honduras attacked from the north, the suit said.

Allegations of drug-trafficking or gunrunning by Americans or Nicaraguan rebels have been investigated by the Justice Department

and other U.S. government agencies and dismissed as either groundless or too difficult to substantiate, according to a White House source familiar with the cases.

The Federal Bureau of Investigation, however, is investigating a possible violation of the Neutrality Act, which prohibits Americans from engaging in attempts to overthrow a government in a country with which the United States is at peace, an FBI source said.

Besides Gen. Singlaub, who as head of the World Anti-Communist League is the Nicaraguan rebels' top fund-raiser, the suit names among other defendants Aldofo Calero, leader of the FDN; Tom Posey, head of the Civilian Military Assistance, which also raises money for the rebels; and retired Air Force Maj. Gen. Richard Secord, a former deputy assistant secretary of defense.

Two former CIA officials named in the suit are Thomas Clines, who served as director of training for clandestine operations, and Mr. Clines' supervisor, Theodore Shackley.

According to the suit, the conspiracy was revealed by David X to a Costa Rican carpenter, Carlos Rojas Chinchilla, in a chance meeting at the Rendezvous bar in San Jose, Costa Rica.

David X was described in the suit as scared and desperate to get out of the conspiracy but afraid his associates would kill him. When he was alone with the carpenter, David X spilled his story while two other alleged conspirators were casing the nearby U.S. Embassy to find a suitable place to rig a bomb, the suit said.

Mr. Rojas Chinchilla later retold the story to an American resident of San Jose who passed on the tip to Mr. Avirgan and his wife, who had been investigating the assassination attempt on Mr. Pastora, the suit said.

David X and Mr. Rojas Chinchilla met clandestinely several times.

with the carpenter passing on information to the two journalists, before both men were kidnapped by the conspirators, the suit said. Although they escaped, David X later was killed, the suit said.

Mr. Avirgan yesterday admitted he had never met David X, because the informant refused to be seen with a "gringo" journalist and would only slip information to the carpenter. Mr. Avirgan said Costa Rican authorities confirmed the identity of

David X and that he had seen his informant from a distance.

David X was the source of the information on the entire conspiracy, although Mr. Avirgan's attorney, Daniel Sheehan of the Washington-based Christic Institute, said he would call 250 witnesses if the case goes to trial.

In an interview yesterday, Gen. Singlaub denied any involvement in drug-trafficking or illegal gunrunning, explaining that only money raised outside the United States is used to purchase weapons on the international arms market.

"It's an effort by the radical left to put up a smoke screen," he said of the lawsuit. "I think it's designed to obscure the real issue — that the Sandinistas are establishing a communist base in the Western Hemisphere."

Mr. Posey could not be reached yesterday to comment on the allegations. But in an interview earlier this week, before the suit was filed, he called the Avirgan-Honey report "lies."

"We have never bought even one bullet for the rebels," he said, explaining that CMA has raised \$4 million in non-military aid such as medical supplies or uniforms for the rebels.

Mr. Posey said the Justice Department recently cleared CMA of any illegal activity. "If they had thought we were involved in gunrunning, they would have been on us like a chicken on a June bug," said the Alabama resident.

Mr. Matamoros, speaking on behalf of Mr. Calero, strongly condemned the lawsuit as a "grotesque mockery of justice" and denied all the allegations. "Their purpose is to destroy the Nicaraguan resistance," he said.

The suit is filed in the U.S. District Court in Miami. The suit says much of the conspiracy was carried out in Miami.

The suit is based upon a controversial U.S. statute to control racketeering that allows both criminal and civil cases. The laws also allows for wide-reaching discovery motions from the plaintiffs.

Mr. Avirgan and his wife are seeking \$1.28 million in compensatory damages, another \$2.56 million under a special feature of the Racketeering Act that provides for triple damages, and \$20 million in punitive damages.